

# CORPORATE PURCHASING CARD PROGRAM

## CARDHOLDER'S GUIDE



## **TABLE OF CONTENTS**

	<b>PAGE(S)</b>
Corporate Purchasing Card Overview.....	3
Introduction and Intent (Section 1).....	4
Definitions (Section 2).....	4-7
Corporate Purchasing Card Oversight (Section 3).....	7-8
Issuing Corporate Purchasing Cards (Section 4).....	8
Corporate Purchasing Card Security (Section 5).....	9
Corporate Purchasing Card Use (Section 6).....	9-10
Corporate Purchasing Card Abuse (Section 7).....	10-11
Corporate Purchasing Card Assignment Guidelines (Section 8).....	11-12
Corporate Purchasing Card Documentation (Section 9).....	12-13
Corporate Purchasing Card Record Retention (Section 10).....	13
How the Corporate Purchasing Card Works (Section 11).....	13-14
Cardholder Limits (Section 12).....	14-15
Requesting a Card (Section 13).....	16
Defective Merchandise (Section 14).....	16
Disputes (Section 15).....	17
What to do if a Card is Lost or Stolen (Section 16).....	17
Reconciliation and Recordkeeping (Section 17).....	17-18
Contact Information.....	18
 <b><u>Forms and Exhibits</u></b>	
Cardholder Agreement – Exhibit A .....	19
Cardholder Transaction Log - Exhibit B.....	20

## **CORPORATE PURCHASING CARD OVERVIEW**

### **PURPOSE**

This program is designed to simplify the purchasing of small dollar goods and services.

### **BENEFITS**

The corporate purchasing card system benefits the Maryland Judiciary by reducing paperwork and processing costs of accounts payable for small dollar purchases. Vendors who accept corporate purchasing cards are paid much faster.

### **LIMITATIONS**

Due to limitations in the current bank information systems, vendors subject to 1099 reporting may NOT be paid with the corporate purchasing card. These vendors are unincorporated service providers that require special reporting to the Internal Revenue Service. Purchases from these vendors are prohibited.

### **CONTROLS**

The Maryland Judiciary's Corporate Purchasing Card Program uses internal management controls, as well as features and reports from the card vendor's system, to manage and review the process to ensure that procedures are followed.

# MARYLAND JUDICIARY CORPORATE PURCHASING CARD PROGRAM

## SECTION 1                    INTRODUCTION AND INTENT

1. This guide covers the implementation of the Corporate Purchasing Card Program and establishes minimum standards for possession and use of corporate purchasing cards.
2. The Corporate Purchasing Card Program was established to save the Judiciary time and money. By allowing the bank and the merchants to process most of the paperwork, the Judiciary eliminates the need to issue several thousand purchase orders, reduces the number of invoices to be processed and reduces the issuance of small dollar value checks. It helps the Judiciary obtain small dollar value items in a more efficient and cost effective manner. Vendors will benefit as well by a reduction in paperwork and an improved payment cycle for billings.
3. While it is the intent of this program to improve the efficiency and effectiveness of the Judiciary's corporate purchasing methods, **nothing in this guide is intended to replace current policy and/or procedures defined under the Maryland Judiciary Procurement Policy.**

## SECTION 2                    DEFINITIONS

1. **Account Code Number** - Also called Accounting Code. A fifteen (15) character alpha/numeric value defined by the Maryland Judiciary and keyed on the cardholder account. This value is appended to each transaction record and provided by the card vendor when the billing and/or data file(s) is transferred to the Maryland Judiciary and/or General Accounting Division. This allows the Maryland Judiciary to automatically allocate transaction expenses to the correct Program Cost Account (PCA).
2. **ACH-Automated Clearinghouse** - An electronic network used by financial institutions to transfer funds per customer instructions.
3. **Acquirer** - Also referred to as Merchant Acquirer or Merchant Bank. A member of VISA that has an account with merchants to process their credit or debit card transactions through the appropriate network(s).

4. **Approving Officer** - The agency head or other lawful designee possessing authority to approve incurring an obligation or making expenditures from State funds.
5. **Authorized Purchases** - Purchases that further the business of the State. Legitimate business purchases and expenditures made by an employee on behalf of the State and the employing agency. Each purchase must be allowed by law and policy, and be within budget authority.
6. **Bank** - The institution issuing Corporate Purchasing Cards to and in the name, of the Maryland Judiciary.
7. **Corporate Purchasing Card** - Plastic payment device or a specific account number issued by the bank in the name of the Maryland Judiciary to a cardholder for facilitating small dollar value purchases on behalf of the Maryland Judiciary.
8. **Cardholder** - A Judiciary employee authorized by the Maryland Judiciary to be the user of a Maryland Judiciary Corporate Purchasing Card. The Corporate Purchasing Card bears the name of the individual who is exclusively authorized to use it. The card can be used to pay for official purchases in compliance with Maryland Judiciary internal procedures.
9. **Card Controls** - Controls coded to each card that restrict the use of the card as defined by the Maryland Judiciary.
10. **Card Vendor** - US Bank/VISA is the current vendor providing corporate purchasing card services to the State.
11. **Declined Transactions** - Transactions in which authorization has been refused by the card vendor/transaction authorization system.
12. **Documentation** - Written evidence of a purchase, provided by the merchant, including an invoice, cash register receipt, packing slip, receiving report, repair order, or other evidence of goods or services received.
13. **Further the Business of the Maryland Judiciary**- A purchase will "further the business of the Maryland Judiciary" only when the purchase:
  - a. Is authorized by law, regulation, and/or by organizational policy and procedures;
  - b. Will promote or support the lawful operation of the Maryland Judiciary on whose behalf the purchase is made; and

- c. May be paid by public funds that are currently available to the Maryland Judiciary by appropriation, allocation or other legislative authority (and, where applicable, by allotment) for the purpose of the purchase.
14. **MBE** - Minority Owned Business Enterprise.
  15. **Memo Statement or Bank Statement** - A statement-like form is sent to the cardholder each billing cycle for information and for reconciliation of purchases and/or credits. No payment is due on this statement.
  16. **Merchant** - The company, organization or individual who provided the goods or services and who will receive payment resulting from a Corporate Purchasing Card transaction.
  17. **Merchant Category Code (MCC)** - The merchant's bank shall categorize each merchant according to the type of business the merchant is engaged in and the kind of goods and services provided. The card vendor shall assign each merchant a corresponding Merchant Category Code (MCC). These codes shall be used as a means of analyzing card usage data as well as assigning card controls. Also referred to as Standard Industry Codes (SIC), a four-(4) digit numeric classification code is used in the authorization and settlement systems to identify the type of merchant.
  18. **Personal Purposes** - Purchases that do not "further the business of the Maryland Judiciary" and purchases that do benefit an employee or other person individually, rather than facilitate the discharge of the official functions or duties of the Maryland Judiciary. Any non-business use of the Corporate Purchasing Card that personally benefits the employee or third party, rather than the Maryland judiciary.
  19. **Purchasing Card Program Administrator (PCPA)** - An individual designated by the Maryland Judiciary to perform administrative functions within the limits of delegated authority to maintain the effectiveness of the program.
  20. **Sales and Use Tax** - Taxes collected by merchants on items purchased. Sales tax refers to tax on items purchased within the cardholders' State. Use tax refers to tax on items purchased outside the cardholders' State. **The Maryland Judiciary is exempt from Maryland Sales Tax. The tax exempt number is 30002563 and is printed on each card.**
  21. **Single Transaction Dollar Limit** - Also called Single Purchase Limit. A fixed amount determined by the Maryland Judiciary, over which ALL transactions will be declined.

22. **Statement Billing File** - An electronic file available to the Maryland Judiciary's Finance Department on a monthly cycle that contains ALL detail concerning transactions on the account that is used for settlement, cost allocation, and reporting.
23. **Supplier** - Also referred to as Vendor or Merchant. An organization that provides goods or services to a customer and accepts payment for those goods and services. Supplier and Vendor are common terms used by most Purchasing Agents. Merchant is a common term used within the banking industry for those vendors or suppliers who accept Corporate Purchasing Cards.
24. **Transaction Log** - A form to be used by all cardholders to record each transaction, charge or credit, made on a purchasing card. The log should be used by the cardholder to reconcile transactions with their corresponding bank statement.
25. **Unauthorized Use** - Use of the Corporate Purchasing Card for employee travel expense, capital, meals, outlays for major projects, personal purposes, or purchases in excess of the limit authorized by the policy. **Obtaining cash from the Corporate Purchasing Card is strictly prohibited.**
26. **1099 Vendor** - A 1099 is a form, that companies and governments are required to provide to the Internal Revenue Service (IRS) for each unincorporated vendor with whom they spent more than \$600 in a calendar year on 1099 related expenditures. Payments to merchants for goods are not 1099 related expenditures. **Payments to unincorporated vendors for services are 1099 related expenditures and are not permitted through the use of the Maryland Judiciary Corporate Purchasing Card Program.**

### SECTION 3

### **CORPORATE PURCHASING CARD OVERSIGHT**

1. The Maryland Judiciary's Finance Department is responsible for processing invoices to the State Comptroller's Office to pay the bank for all purchases/credits made by the Maryland Judiciary.
2. The Maryland Judiciary's Procurement and Contract Administration Department is responsible for determining if a purchase made under this program in accordance with the Maryland Judiciary's procurement policies and procedures. The Maryland Judiciary's Procurement and Contract Administration Department is also responsible for determining if a purchase meets the Corporate Purchasing Card Program's policies and procedures.

3. The approving officer (State Court Administrator) or their designee is responsible for designating a PCPA who shall function as the Judiciary's liaison to the bank.
4. The Maryland Judiciary's Finance Department is responsible for the fiscal oversight of the Maryland Judiciary's Corporate Purchasing Card Program. This includes the prompt payment of the vendor's monthly statement. This is accomplished by the timely retrieval of the vendor statement billing file and subsequent transmission of the vendor payment file to the General Accounting Division of the State Comptroller's Office.
5. The PCPA is responsible for providing the Judiciary's Finance Department the Account Code Numbers assigned to each cardholder for verification. Account Code Number assignment must be completed prior to the issuance of the Corporate Purchasing Card.
6. The responsibility for the program rests with the Maryland Judiciary's assigned PCPA.

#### **SECTION 4                      ISSUING CORPORATE PURCHASING CARDS**

1. The bank will issue Corporate Purchasing Cards to cardholders based on the signed written approval of the State Court Administrator or designee. The card will be issued with the name of an employee and Maryland Judiciary embossed on the plastic.
2. The cardholder, the cardholder's Program Administrator and the PCPA must complete and sign a Corporate Purchasing Program Card Cardholder Agreement Form (Exhibit A) indicating compliance with the program policy and guidelines. The Maryland Judiciary's PCPA will retain the original agreement.
3. Following the Maryland Judiciary approvals, the PCPA will submit the cardholder information electronically via the computer system used by the card vendor for issuance of the card.
4. The card vendor will distribute the Corporate Purchasing Cards directly to the Maryland Judiciary. The individual who receives the Corporate Purchasing Cards must be independent of the Judiciary's PCPA duties. The Judiciary's PCPA must not be the one to submit Corporate Purchasing Card applications and receive the cards in the mail from the card vendor.



5. The Judiciary's PCPA is responsible for correcting any errors in the cardholder Account Code Number with the card vendor before the issuance of the card.

## **SECTION 5                      CORPORATE PURCHASING CARDS SECURITY**

1. The cardholder who has been issued a Corporate Purchasing Card must secure and control the card and any documents containing the account number at all times.
2. The PCPA must maintain accurate records at all times of the individual cardholders responsible for each card issued to the Maryland Judiciary.
3. The card vendor will monitor the cardholders' card expiration dates and reissue cards every 36 months via the Judiciary's PCPA.
4. Every effort should be made to secure all purchasing card account number information. This includes reports, statement packing slips, and receipts. Paper documents containing the purchasing card account number should be shredded or destroyed when the information is no longer needed. Retention of the documents shall be in accordance with the Maryland Judiciary's record retention and disposal policy. Furthermore, access to the card vendor's database should be limited to only select users. Transaction management is secured with access rights dictated and assigned by the Maryland Judiciary to allow access only by authorized personnel. Typically, individual users of transaction management, supervisors, and PCPA's will have access to functionality restricted to their level in the billing hierarchy. The Cardholders may be granted authority to view their transactions, disputes transactions, and make entries into the cardholder log of transactions.

## **SECTION 6                      CORPORATE PURCHASING CARD USE**

1. Normally, a card will have a Single Purchase Limit not exceeding the amount specified under Category I Small Procurements as defined in the Maryland Judiciary's Procurement Policy. **Purchases shall not be divided artificially in order to use the Category I Small Procurement method.**
2. Corporate Purchasing Cards shall only be used for authorized purposes. Capital outlays for major projects are not authorized. **Also prohibited are purchases of equipment and furniture costing \$500 or more per item and purchases of "sensitive items" (items costing less than \$500, but are prone to theft).**

3. **Specific restrictions** apply to the following Merchant Category Code Groups (MCCG):
  - a. Service Providers - MCC #6010 through #7033 -Total Group Restriction (Financial Institutions, Securities Brokers, Timeshares, etc.).
  - b. Personal Service Providers - MCC #7221 through #7299. Restrictions on (Photographic Studios, Beauty and Barber Shop, Shoe Repair-Shine Shops, Funeral Services and Crematories, Dating and Escort Services, etc.). Cardholder questions regarding specific types of transactions should be addressed to the Maryland Judiciary PCPA.
  - c. Amusement and Entertainment - MCC #7832 through # 7997 and #7999. Restrictions on (Motion Picture Theaters, Bowling Alleys, Video Game Clubs, Betting, Golf, Recreation Services, etc.).
  - d. Miscellaneous - **No purchases are permitted for the following groups and/or items:**
    - Drinking Places (Alcoholic Beverages) MCC #5813
    - Eating Places Restaurants MCC #5812
    - Fast Food Restaurants MCC #5814
    - Package Goods Stores (Beer, Wine, & Liquor) MCC #5921
4. Contracted Services - 1099 vendors (Unincorporated service providers) are not blocked, but are excluded by regulation. Any services that may be IRS Form 1099 reportable are NOT authorized (see Section 2 for definition of IRS Form 1099).
5. **Cash Advances/money orders are strictly prohibited.**
6. See the PCPA for the full MCC codes.

## **SECTION 7**

### **CORPORATE PURCHASING CARD ABUSE**

1. If an employee abuses the Corporate Purchasing Card privilege or the provisions of the Corporate Purchasing Card agreement, the card may be forfeited and cancelled and the employee is subject to disciplinary action up to and including dismissal. The employee may also be ineligible for restoration of Corporate Purchasing Card privileges.

2. In addition to the sanctions described in the preceding paragraph, the Maryland Judiciary reserves the right to refer instances of abuse that violate other statutes to the appropriate law enforcement agency.
3. The Maryland Judiciary reserves the right to collect from the employee, the cost of any purchases that do not further the business of the Maryland Judiciary. The collection may be accomplished through payroll deduction or any other collection process.
4. The card vendor's Liability Waiver Program requires the Maryland Judiciary to initiate termination proceedings as soon as documented evidence of cardholder abuse has been discovered and verified. The agency PCPA and/or the State Court Administrator or their designee shall notify the card vendor to cancel the cardholder card within two (2) days of the documentation and verification of cardholder misuse. Furthermore, specific forms supplied by the card vendor must be completed and filed with the bank. Forms and detailed instructions are available from the bank (reference the Liability Waiver Program).

## **SECTION 8**

### **CORPORATE PURCHASING CARD ASSIGNMENT GUIDELINES**

1. The following guidelines will apply to the assignment of the Corporate Purchasing Cards:
  - a. Limited to Maryland Judiciary employees;
  - b. Limited to employees who have not had personnel incidents which impact upon the use of the card;
  - c. Limited to employees specifically approved by the State Court Administrator or designee;
  - d. Limited to employees who sign a Corporate Purchasing Card agreement and who will be subject to personnel discipline procedures in the event of abuse or failure to comply with established guidelines;
  - e. Requires State Court Administrator or designee approval of assignment of card;
  - f. Monthly credit card limits should be consistent with the authorized monthly spending limits established by the Maryland Judiciary. Credit limits should not be substantially greater than the cardholders' pre-authorized monthly spending authority; and

- g. Cards no longer in use or where no purchasing activity has been recorded for an extended period must be cancelled and the cards destroyed by the PCPA.

**A criminal background check may be completed for each cardholder assigned a Corporate Purchasing Card. In order to maintain the confidentiality of the background check, all administrative handling will be completed by the Maryland Judiciary's Human Resources Department.**

## **SECTION 9                      CORPORATE PURCHASING CARD DOCUMENTATION**

1. The Maryland Judiciary's Finance Department will ensure that necessary procedures are in place for prompt payment and posting of charges and credits.
2. The cardholder's supervisor, manager or other administrative official will ensure that documentation is adequate and sufficient to allow for the proper recording and reconciliation of expenditures. **Documentation is required for all purchases and credits.** Acceptable documentation shall be the itemized Corporate Purchasing Card Charge/Credit slip or Telephone Purchasing Card Log and one (1) of the following items:
  - a. Itemized sales slip, or
  - b. Itemized packing slip, or
  - c. Itemized cash register receipt, or
  - d. Itemized repair order.
3. A monthly statement from the card vendor will be addressed and mailed to the cardholder.
4. **Each cardholder shall maintain an "Transaction Log" for recording each purchase and/or credit made with each Corporate Purchasing Card.** A copy of the Transaction Log is attached to this policy as Exhibit B. The Transaction Log may be recreated electronically, however, all current wording and signatures must be retained.
5. After receiving the statement from the bank, the cardholder must match it with the Transaction Log and the documentation for every purchase charge and/or credit. If documentation is missing, reasonable attempts should be made to obtain a copy of the appropriate documentation from the vendor referenced on the bank statement. When the documentation is received, it should be reviewed and certified as received or reported as a Disputed Item to the card vendor.

6. A pattern of missing documentation will result in the loss of Corporate Purchasing Card privileges.
7. When completed, the statement, the properly authorized log, and documentation for every purchase will be forwarded to the cardholder's reviewer for signature.

## **SECTION 10      CORPORATE PURCHASING CARD RECORD RETENTION**

1. The Maryland cardholder's supervisor, manager or other administrative official shall maintain a permanent file containing the original Transaction Logs and documentation for every charge/credit appearing on the Memo or Bank Statement applicable to employees under their supervision. This file shall be subject to periodic review by the Maryland Judiciary's Office of Internal Audit, the Office of Legislative Audits, and any other duly authorized auditors.
2. The Maryland Judiciary's PCPA shall maintain a current list of cards issued.

## **SECTION 11      HOW THE CORPORATE PURCHASING CARD WORKS**

1. Any merchant that can process a *VISA* card as a payment for purchases can accept the Corporate Purchasing Card. Each merchant contracts with a bank to have its *VISA* card receipts processed. The bank provides the merchant with the necessary equipment and communications link into the *VISA* card network. *VISA* card accesses the card vendors' database of cardholder information by communicating with Total System Services, Inc. (TSYS), the bank's corporate card processor.
2. Some merchants use the phone to verbally request authorization on a Corporate Purchasing Card purchase. However, most merchants have an electronic point-of-sale terminal, PC processor or mainframe link to their merchant bank.
3. Return of merchandise to the merchant and/or disputes resulting in the issuance of a credit to the cardholder are posted each day along with the purchase transactions and are updated in the database for subsequent transmittal to the Maryland Judiciary.
4. The typical operational procedures associated with Corporate Purchasing Card purchases are as follows:

- a. A Judiciary employee presents his/her Corporate Purchasing Card to a merchant to make a business purchase. (A purchase could be made over the telephone, Internet, fax, etc.).
- b. The merchant typically uses an electronic point-of-sale terminal to submit the total purchase for authorization. If automated equipment is not available, the authorization request is telephoned into the card vendor.
- c. The cardholder's card number is used to determine whether any limits or restrictions for that employee have been exceeded or controls have been breached by using the card at this time and with this merchant. Authorization typically takes just a few seconds. If authorization is granted, the purchase is completed and the database is updated to include the authorization. If authorization is denied, this is also noted in the card vendors' database.
- d. The merchant summarizes daily receipts and submits them to the merchant-processing bank for payment, usually at the end of the business day.
- e. The following day the merchant's account is credited by the bank. Total Systems (TSYS) transmits transaction detail and daily reporting information to the card vendor
- f. The card vendor provides reporting information to the Maryland Judiciary in a web-based format.
- g. The Judiciary's Finance Department will process the card vendor's monthly statement on an agreed upon schedule.

## **SECTION 12            CARDHOLDER LIMITS**

Specific restrictions apply to all Corporate Purchasing Cards for all Maryland Judiciary employees. **Section 6** identifies these restrictions.

The primary advantage of the Corporate Purchasing Card is the ability to assign different limits to each cardholder to restrict purchasing authority. These limits allow the Maryland Judiciary to extend purchasing responsibility to many more individuals in the current purchasing environment while maintaining or even increasing control over your purchasing budget. The following limits can be uniquely established for each Corporate Purchasing Cardholder:

1. *Spending amount per cycle:* The cardholder can only incur transactions totaling this amount for each billing cycle.
2. *Number of transactions per cycle:* Each cardholder can be limited as to the number of purchase transactions that can be made in a monthly billing cycle.
3. *Purchase amount:* Each purchase transaction for which authorization is requested will be verified against this amount.
4. *Number of transactions per day:* On a daily basis, the cardholder can be limited to the number of purchase transactions specified. Every transaction will also affect the monthly transaction limit once it is posted.
5. *Merchant category:* Each cardholder may be assigned one or more Merchant Category Code restrictions. These codes include various merchant categories or groups of Standard Industry Codes (SIC), depending on the type of purchases you are making. The seven primary merchant categories are:

Transportation  
Utilities  
Retail  
Auto & Vehicles  
Clothing Stores  
Miscellaneous  
Business/Repair Services

The Merchant Category Codes (MCC) are designed to offer every combination possible for the above listed categories, plus several unique SIC code groups. MCCs can be coded to individual purchasing cards that preclude purchases from designated types of merchants (liquor stores, etc.). The restriction is imposed at point-of-sale if the merchant requests authorization for the transaction.

**The use of the card with 1099 vendors (Unincorporated service providers) is prohibited.**

**THE PURCHASING CARD MAY NOT BE USED FOR CASH ADVANCES.**

## **SECTION 13                      REQUESTING A CARD**

If your position requires you to make purchases, this Corporate Purchasing Card may help you in your everyday tasks. To obtain a card, please follow these simple steps:

1. Complete a Cardholder Agreement Form.
2. If appropriate, the immediate manager will approve the Cardholder Agreement form and forward the request to the State Court Administrator or designee for approval.
3. The completed and approved form will be forwarded to the PCPA. The requesting cardholder's information will be forwarded to the merchant bank.
4. The merchant bank will forward the card to the Maryland Judiciary's Procurement Department within two (2) to five (5) business days.
5. The Maryland Judiciary's Procurement Department will forward the card to the cardholder with instructions regarding the use of the card. Basic instructions regarding the use, record keeping, allowable purchases, and emergency numbers in case of lost/stolen cards will be discussed and the cardholder will formally acknowledge receipt of the card and instructions.
6. The card may be used as soon as the cardholder registers the card online with the bank.

## **SECTION 14                      DEFECTIVE MERCHANDISE**

1. If items are purchased and found to be defective or faulty, the cardholder can return the item(s) to the supplier, who will initiate a credit to appear on the subsequent month's cardholder bank statement.
2. If the cardholder cannot resolve the dispute with the supplier, a Cardholder Statement of Disputed Item form should be completed and forwarded to the PCPA. It is important to note that the form should be forwarded to the PCPA as soon as the discrepancy occurs, but not later than sixty (60) days after the appearance of the item on the cardholder bank statement.



## SECTION 15            DISPUTES

1. When a cardholder discovers an incorrect amount has been charged for goods and/or services received, or a questionable purchase or transaction appears on the monthly cardholder bank statement, the cardholder must immediately seek to resolve the problem with the vendor. If no resolution can be made with the vendor, a Cardholder Statement of Disputed Item form should be completed and forwarded to the PCPA for handling. It is important to note that the form should be forwarded to the card vendor as soon as the discrepancy occurs, but not later than sixty (60) days after the appearance of the item on the cardholder bank statement.
2. The card vendor will issue an adjustment to the balance due until resolution of the dispute. If the resolution of the dispute results in a credit, it will be posted to the cardholder account.
3. The cardholder must post the credit to the Transaction Log and verify that the credit appears on the subsequent monthly bank statement.

## SECTION 16            WHAT TO DO IF CARD IS LOST OR STOLEN

If your Corporate Purchasing Card is lost or stolen, **you must telephone the card vendor's Customer Service line immediately.** This number is available 24 hours a day, 7 days a week, 365 days a year. Lost cards reported by telephone are blocked immediately. If requested before 3:00 P.M. EST, a cardholder will usually receive an emergency replacement card within 24 hours.

## SECTION 17            RECONCILIATION AND RECORD KEEPING

1. A receipt is required for each transaction.
2. Every transaction (charge or credit) must be recorded on a Cardholder Transaction Log sheet (Exhibit B), which contains the transaction date, merchant name, description of item purchased (including quantity), account to be charged if different from that assigned to Corporate Purchasing card, and amount of purchase. The cardholder will use this log to reconcile the monthly charges against the credit card statement.
3. A Monthly Cardholder Statement will be sent by the card vendor to each cardholder after the cutoff on the 25th day of the month (**THIS IS NOT A PURCHASING CARD BILL**). The cardholder is responsible for reconciling

the Monthly Cardholder Statement with the Transaction Log sheet, attaching all receipts, signing, and returning the package to their immediate supervisor within three (3) days of receipt of the monthly statement.

4. The cardholders' immediate manager or designee as assigned by the Department Head, who has the experience and position to determine if purchases are reasonable and necessary, must certify the accuracy and completeness of the Transaction Log by signing and dating the log. The signature of the immediate manager or designee verifies that the applicable receipts/invoices and bank statement are attached to the Transaction Log, as well as the accuracy of the monthly detail, including whether or not the transactions are appropriate. The Transaction Log and original documentation for every charge and credit must be retained by the cardholder's supervisor, manager or other administrative official as a permanent record of purchase transactions made by the cardholder.
5. The Maryland Judiciary must establish appropriate internal controls to identify and track purchases made from MBE suppliers certified by the State of Maryland.
6. The card holder should use the USBank "Access Online" feature (<https://access.usbank.com>) to review daily charges to ensure that charges are coded to the correct object code. Any distributions made to the DEFAULT PCA OBJECT (0995) must be reviewed promptly and redistributed to the correct object prior to the end date of the monthly credit card cycle.

## **SECTION 18            CONTACT INFORMATION**

General Cardholder and Procurement Information: Bernard M. Miles, 410-260-1594

Cardholder administrative assistance: Brian Winters, 410-841-2382

USbank Customer Service Desk: 1-877-887-9260